

VENTURA COUNTY ECONOMIC FORECAST

The Ventura County economy is expanding slowing, and is creating fewer jobs than most other parts of Southern California. In 2017, Ventura County gained 2,500 new jobs, representing a growth rate of 0.8 percent. Across all of Southern California, total employment grew by 1.7 percent.

In Ventura County, the best performing industries in 2017 were construction, healthcare, and leisure services. There has been an increase in new real estate development, with more than 2,300 homes built last year and more than \$200 million invested into non-residential structures. The construction industry added 1,100 new workers, making it the fastest growing sector countywide.

Weakness was observed in several sectors, including biotechnology and retail. The community of Westlake Village is home to a number of prominent biotech manufacturing companies, but these firms have been relocating jobs to other parts of the U.S. In total, the industry has shed 1,400 jobs over the last decade, and further layoffs are expected.

The retail industry has been flat for several years, neither creating nor losing a substantial number of jobs. The industry is losing jobs at companies that face heavy online competition, such as clothing stores and sporting goods stores. But it is creating jobs at firms that do not yet face this competition, including grocery stores and pharmacies.

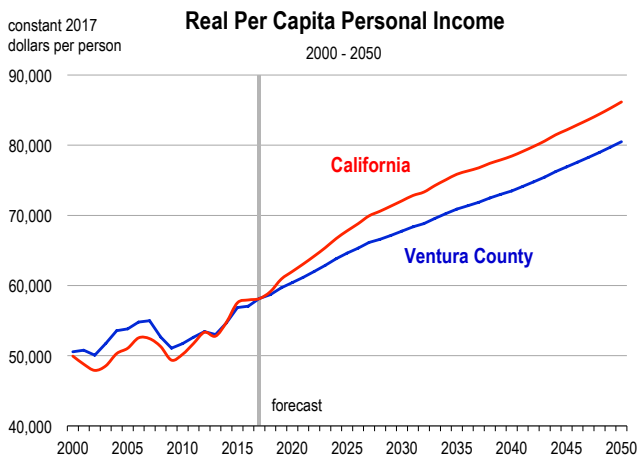
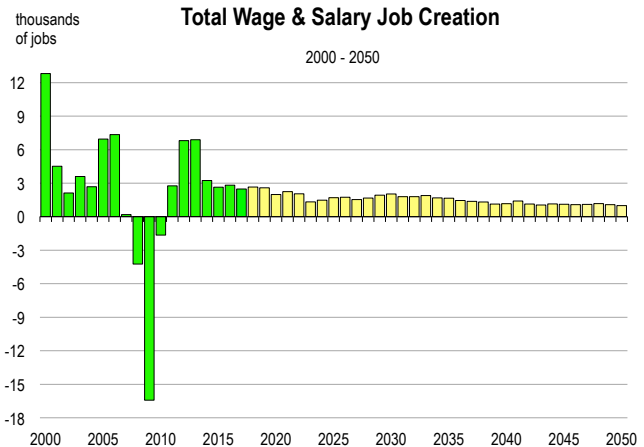
Despite the recent increase in construction activity, housing production is not keeping pace with population growth. Home prices continue to rise faster than incomes, and housing affordability is becoming a problem, with households often spending more than 35 percent of their income on mortgage payments and rent.

Weak job creation and high housing costs are causing people to leave the county. Over the last five years, an average of 800 net migrants left Ventura County each year, meaning that the natural increase (new births) was the only source of population growth.

In 2017, the Ventura County unemployment rate was exceptionally low, falling to just 4.5 percent. This signifies that the county has reached a “full employment” scenario, meaning that almost everyone who wants a job already has a job. Under these conditions, job creation is expected to decelerate, and further improvements in the unemployment rate will be minimal.

FORECAST HIGHLIGHTS

- In 2018, total employment will increase by 0.8 percent. Over the 2018-2023 period, growth is expected to average 0.6 percent per year.
- Employment growth is expected to be strongest in leisure services, as well as education and healthcare. Together, these sectors will account for 68 percent of net job creation over the 2018-2023 period.
- Average salaries are currently below the California state average, and will remain so throughout the forecast period. In Ventura



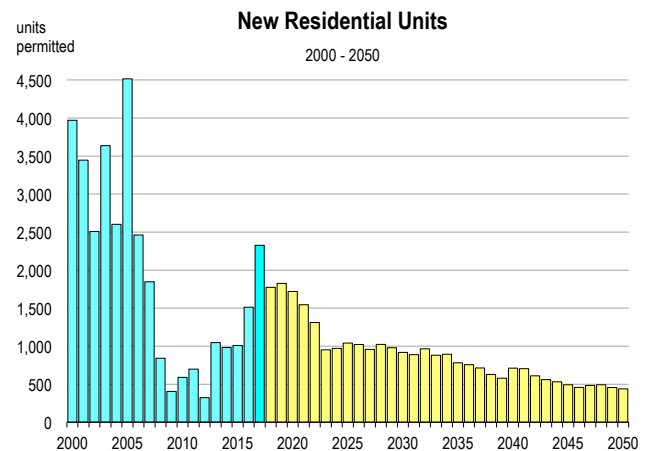
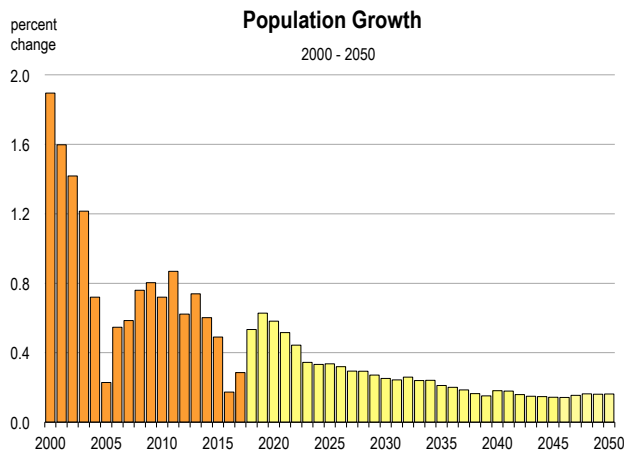
County, inflation-adjusted salaries will rise at an average rate of 1.2 percent per year from 2018 to 2023, which will be slower than statewide growth.

- Between 2018 and 2023, an average of 1,500 new homes will be authorized each year.
- A portion of expected construction activity will be in response to the Thomas Fire. This fire destroyed more than 1,000 structures in Ventura County in 2017, and most will be rebuilt between 2018 and 2020.
- Aside from rebuilding the homes destroyed in the Thomas Fire, development will be concentrated in Oxnard, Simi Valley, Moorpark, and the City of Ventura. Combined, these areas could get 14,000 new homes over the next decade.
- Population growth will be slow over the forecast period, averaging only 0.5 percent per year. Net migration will be low, with just 400 net migrants entering the county each year.

Ventura County Economic Forecast

2010-2017 History, 2018-2050 Forecast

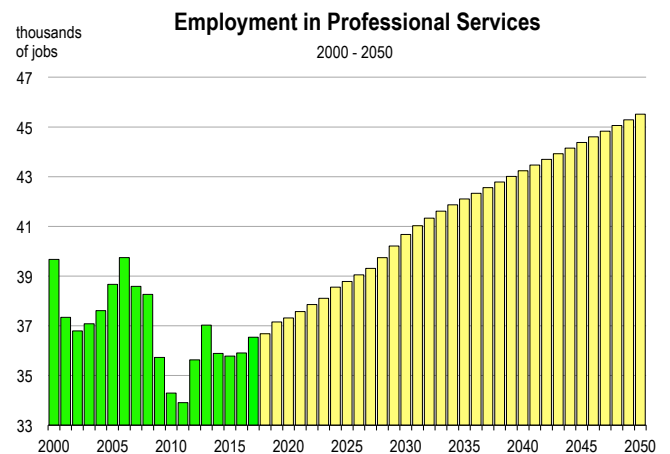
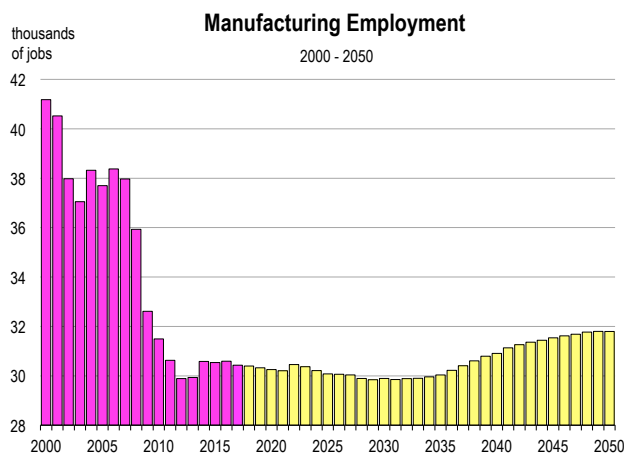
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (billions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
2010	824,441	-344	754	266.9	590	\$10.2	\$37.6	\$51,736	1.2	2.11	8.2	10.8
2011	831,606	1,219	750	267.5	697	\$11.0	\$39.6	\$52,640	2.7	2.04	8.0	10.3
2012	836,782	-343	751	268.3	322	\$12.0	\$41.3	\$53,428	2.0	2.13	8.2	9.1
2013	842,964	1,019	768	269.4	1,048	\$12.8	\$41.7	\$53,020	1.1	2.24	8.3	7.9
2014	848,038	17	776	270.8	981	\$13.4	\$43.9	\$54,682	1.3	2.26	8.6	6.6
2015	852,199	-623	790	272.1	1,009	\$13.8	\$46.3	\$56,864	0.9	2.30	8.3	5.6
2016	853,673	-2,879	810	272.5	1,512	\$13.7	\$47.4	\$57,072	1.9	2.17	8.2	5.2
2017	856,111	-1,606	830	273.5	2,326	\$13.7	\$49.8	\$58,149	2.8	2.15	8.4	4.5
2018	860,680	591	842	276.0	1,773	\$14.1	\$51.9	\$58,724	2.7	2.14	8.7	4.3
2019	866,084	1,415	851	277.7	1,826	\$14.7	\$54.3	\$59,685	2.2	2.13	8.6	4.0
2020	871,122	1,047	859	279.4	1,719	\$15.4	\$57.1	\$60,431	3.2	2.12	8.7	4.1
2021	875,616	504	866	281.0	1,545	\$16.0	\$59.6	\$61,175	2.6	2.11	8.8	4.2
2022	879,501	-82	872	282.5	1,311	\$16.6	\$62.2	\$62,011	2.6	2.10	9.0	4.3
2023	882,531	-915	878	283.7	952	\$17.2	\$64.9	\$62,891	2.5	2.10	9.2	4.4
2024	885,467	-975	883	284.6	971	\$17.8	\$67.6	\$63,833	2.3	2.09	9.3	4.5
2025	888,443	-914	889	285.5	1,041	\$18.5	\$70.2	\$64,611	2.2	2.09	9.4	4.7
2026	891,283	-1,026	894	286.5	1,022	\$19.1	\$72.7	\$65,326	2.1	2.08	9.6	4.7
2027	893,905	-1,215	899	287.5	958	\$19.9	\$75.3	\$66,135	2.0	2.08	9.8	4.8
2028	896,529	-1,157	905	288.4	1,023	\$20.5	\$77.8	\$66,596	2.3	2.08	9.9	4.8
2029	898,962	-1,293	910	289.4	979	\$21.2	\$80.4	\$67,158	2.1	2.08	10.1	4.8
2030	901,227	-1,405	916	290.3	918	\$21.9	\$83.0	\$67,765	2.0	2.08	10.3	4.8
2031	903,422	-1,425	922	291.1	888	\$22.8	\$85.5	\$68,376	1.9	2.07	10.5	4.8
2032	905,767	-1,245	927	292.0	965	\$23.6	\$88.2	\$68,824	2.1	2.07	10.7	4.8
2033	907,939	-1,369	932	292.9	881	\$24.5	\$90.9	\$69,570	1.7	2.07	10.9	4.8
2034	910,129	-1,289	937	293.7	893	\$25.4	\$93.8	\$70,237	1.9	2.07	11.1	4.7
2035	912,052	-1,500	942	294.6	781	\$26.3	\$96.8	\$70,909	2.0	2.07	11.4	4.7
2036	913,884	-1,535	946	295.3	756	\$27.2	\$100.1	\$71,388	2.4	2.07	11.7	4.7
2037	915,583	-1,612	949	296.0	713	\$28.1	\$103.5	\$71,859	2.5	2.07	12.0	4.7
2038	917,090	-1,760	952	296.7	628	\$28.9	\$107.0	\$72,486	2.3	2.07	12.3	4.6
2039	918,480	-1,837	954	297.3	579	\$29.8	\$110.6	\$72,997	2.5	2.07	12.6	4.6
2040	920,146	-1,536	957	297.8	711	\$30.7	\$114.3	\$73,492	2.4	2.07	12.9	4.6
2041	921,795	-1,534	959	298.5	704	\$31.5	\$118.1	\$74,130	2.2	2.07	13.2	4.6
2042	923,260	-1,705	962	299.2	610	\$32.4	\$121.9	\$74,778	2.1	2.08	13.6	4.6
2043	924,640	-1,790	964	299.7	560	\$33.2	\$125.7	\$75,461	2.0	2.08	13.9	4.5
2044	926,002	-1,806	966	300.3	531	\$34.1	\$129.5	\$76,245	1.8	2.08	14.2	4.5
2045	927,332	-1,839	969	300.8	492	\$35.0	\$133.5	\$76,906	2.0	2.08	14.5	4.5
2046	928,654	-1,861	971	301.2	458	\$35.8	\$137.5	\$77,599	1.9	2.08	14.9	4.5
2047	930,090	-1,767	974	301.7	483	\$36.7	\$141.6	\$78,274	1.9	2.08	15.2	4.5
2048	931,608	-1,708	977	302.1	493	\$37.6	\$146.0	\$78,993	1.9	2.08	15.5	4.5
2049	933,110	-1,746	979	302.6	456	\$38.6	\$150.4	\$79,738	1.9	2.08	15.9	4.5
2050	934,626	-1,748	982	303.0	438	\$39.5	\$155.1	\$80,502	1.9	2.08	16.2	4.5

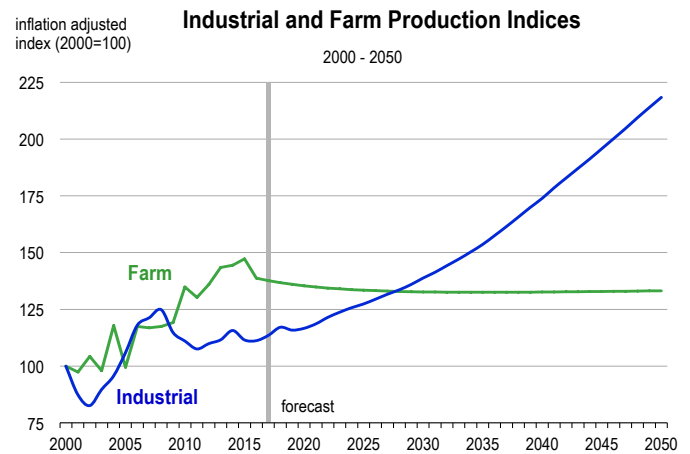
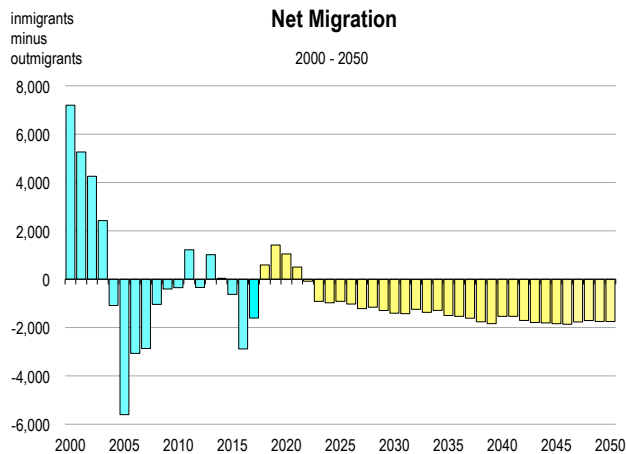
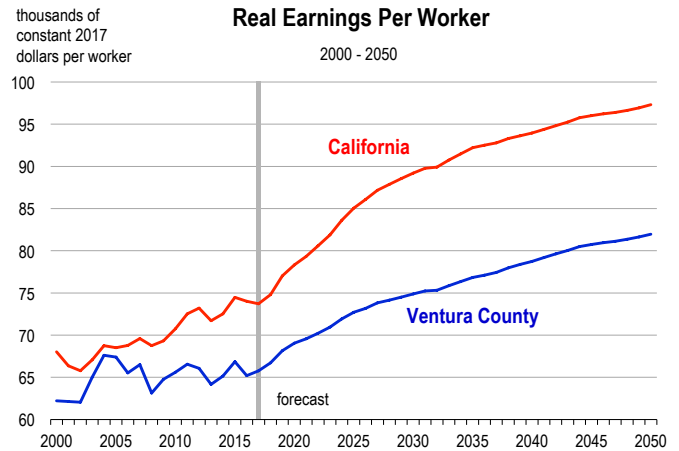
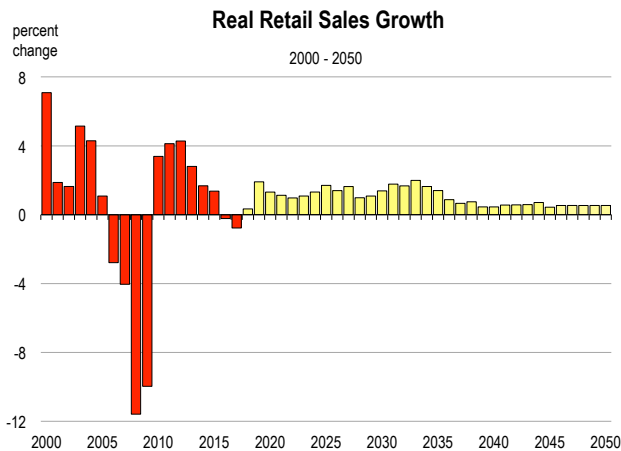


Ventura County Employment Forecast

2010-2017 History, 2018-2050 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
-----employment (thousands of jobs)-----												
2010	300.5	24.43	11.3	31.5	5.3	47.8	20.3	34.3	5.1	35.5	30.3	44.2
2011	303.3	25.24	11.3	30.6	5.5	48.8	20.4	33.9	4.9	36.3	31.4	44.4
2012	310.1	27.09	11.8	29.9	5.7	49.9	19.6	35.6	5.2	38.2	32.8	43.6
2013	317.0	27.44	12.6	29.9	5.9	51.4	18.9	37.0	5.2	40.4	33.8	43.6
2014	320.2	26.46	13.7	30.6	6.0	52.0	18.7	35.9	5.3	41.6	34.8	44.0
2015	322.9	26.33	14.2	30.5	6.0	52.6	17.7	35.8	5.1	42.9	35.7	45.4
2016	325.7	25.23	14.6	30.6	6.0	53.1	17.4	35.9	5.0	44.4	36.4	46.6
2017	328.2	24.19	15.7	30.4	6.1	53.3	16.9	36.5	5.0	45.3	37.3	46.9
2018	330.8	24.06	16.3	30.4	6.2	53.3	16.9	36.7	5.0	46.4	38.1	47.1
2019	333.4	23.95	16.4	30.3	6.2	53.7	17.0	37.2	5.0	47.4	38.5	47.3
2020	335.4	23.86	16.7	30.3	6.2	54.0	17.0	37.3	5.0	48.4	38.6	47.5
2021	337.6	23.79	16.8	30.2	6.2	54.2	17.0	37.6	5.0	49.4	39.1	47.7
2022	339.7	23.73	16.8	30.5	6.3	54.4	17.0	37.9	5.0	50.3	39.7	47.7
2023	341.0	23.69	16.3	30.4	6.3	54.6	17.0	38.1	5.0	51.2	40.2	47.7
2024	342.5	23.65	16.0	30.2	6.3	54.8	17.0	38.6	5.0	52.1	40.5	47.8
2025	344.2	23.63	16.0	30.1	6.3	55.2	17.0	38.8	5.0	53.0	40.8	47.9
2026	345.9	23.61	16.0	30.1	6.3	55.5	16.9	39.0	5.0	53.8	41.0	48.0
2027	347.5	23.60	15.7	30.0	6.4	55.8	16.9	39.3	5.0	54.5	41.2	48.2
2028	349.1	23.60	15.8	29.9	6.4	56.0	17.0	39.7	5.0	55.3	41.5	48.3
2029	351.0	23.60	15.9	29.8	6.4	56.3	16.9	40.2	5.0	56.0	41.7	48.4
2030	353.1	23.61	16.0	29.9	6.4	56.6	17.0	40.7	5.0	56.6	42.0	48.5
2031	354.9	23.62	16.0	29.8	6.4	57.0	17.0	41.0	5.0	57.2	42.3	48.6
2032	356.7	23.64	16.1	29.9	6.4	57.5	17.0	41.3	5.0	57.7	42.6	48.7
2033	358.6	23.66	16.2	29.9	6.4	58.0	17.0	41.6	5.0	58.1	42.8	48.9
2034	360.2	23.68	16.2	30.0	6.4	58.4	17.1	41.9	5.0	58.6	43.1	49.0
2035	361.9	23.71	16.2	30.0	6.4	58.7	17.1	42.1	5.0	59.1	43.4	49.1
2036	363.4	23.73	16.2	30.2	6.4	58.9	17.1	42.3	5.0	59.5	43.6	49.2
2037	364.7	23.76	16.2	30.4	6.4	59.1	17.1	42.6	5.0	59.8	43.9	49.2
2038	366.0	23.79	16.2	30.6	6.4	59.3	17.2	42.8	5.0	60.1	44.1	49.3
2039	367.2	23.83	16.2	30.8	6.4	59.5	17.2	43.0	5.0	60.3	44.4	49.3
2040	368.3	23.86	16.2	30.9	6.4	59.6	17.2	43.2	5.0	60.6	44.6	49.4
2041	369.7	23.90	16.4	31.1	6.4	59.8	17.2	43.5	5.0	60.8	44.9	49.5
2042	370.9	23.93	16.5	31.3	6.4	59.9	17.2	43.7	5.0	61.0	45.1	49.6
2043	371.9	23.97	16.4	31.4	6.5	60.1	17.3	43.9	5.0	61.1	45.3	49.7
2044	373.1	24.01	16.4	31.4	6.5	60.3	17.3	44.1	5.0	61.3	45.6	49.8
2045	374.2	24.05	16.4	31.5	6.5	60.4	17.3	44.4	5.0	61.5	45.8	50.0
2046	375.3	24.10	16.4	31.6	6.5	60.5	17.4	44.6	5.0	61.7	46.1	50.1
2047	376.4	24.14	16.4	31.7	6.5	60.7	17.4	44.8	5.0	61.9	46.3	50.2
2048	377.5	24.19	16.5	31.8	6.5	60.8	17.4	45.1	5.0	62.0	46.6	50.3
2049	378.6	24.23	16.5	31.8	6.5	61.0	17.4	45.3	5.0	62.2	46.8	50.4
2050	379.6	24.28	16.5	31.8	6.5	61.1	17.4	45.5	5.0	62.4	47.1	50.6





County Economic and Demographic Indicators

Projected Economic Growth (2018-2023)

Expected retail sales growth:	6.6%
Expected job growth:	3.1%
Fastest growing jobs sector:	Health and Education
Expected personal income growth:	9.8%

Expected population growth:	2.5%
Net migration to account for:	9.0%
Expected growth in number of vehicles:	4.2%

Demographics (2018)

Unemployment rate (April 2018):	3.2%
County rank* in California (58 counties):	14th
Working age (16-64) population:	64.4%

Population with B.A. or higher:	32.3%
Median home selling price (2017):	\$554,000
Median household income:	\$88,573

Quality of Life

Violent crime rate (2016):	252 per 100,000 persons
County rank* in California (58 counties):	9th
Average commute time to work (2018):	29 minutes

High school drop out rate (2017):	6.8%
Households at/below poverty line (2018):	7.3%

* The county ranked 1st corresponds to the lowest rate in California